



Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | Content to 14 December 2017



Asia Pacific Tax Developments

Australia

Australia: ATO releases corporate tax transparency report for 2015-16

On 7 December 2017, the Australian Taxation Office (ATO) published the third year of the Corporate Tax Transparency Report for the 2015-16 income year.

[More details](#)

Australia: US tax reform and internationally mobile employee

KPMG Australia analyses the proposed US tax reform Bills, and their potential impact on employees moving to or from the US. Some of the proposed measures could increase the US federal income tax payable by mobile employees, and others could reduce it. Employers should therefore carefully review their mobile employee population in order to determine the likely overall cost impacts, particularly regarding employees who are covered by a tax equalisation or protection arrangement.

[More details](#)

Australia: WA payroll tax: Would the real trainees please stand up?

KPMG Australia explains Western Australia (WA)'s Payroll Tax exemption for the wages of all trainees and apprentices. Due to the perceived misuse of the exemptions, the WA State Government will introduce a Bill into Parliament in 2018 to amend the legislation retrospectively from 1 December 2017.

[More details](#)

Australia: Whistleblower Protections Bill introduced

On 7 December 2017, the Federal Government introduced a Bill to strengthen Australia's whistleblower protections law. The Bill proposes to amend both the corporate and taxation laws to put in place a comprehensive, but potentially overlapping series of safeguards for those individuals who disclose corporate and taxpayer misconduct.

[More details](#)

China

China: Customs Policy Update - for the Period of November 2017

The following matters are covered in this issue:-

- Announcement Concerning Implementation of Zero-tariff Treatment for 97 per cent of Tax Items in Democratic Republic of Sao Tome and Principe of the Republic of Gambia
- Announcement on Amendment to “Record Sheets of the Customs of the People’s Republic of China for Test Sampling of Imported and Exported Goods
- Announcement on Comprehensively Implementing Customs Clearance and Taxation Facilitation Measures for Wine Entering the Mainland through Hong Kong
- Announcement on Issues Concerning Administration of Water and Airborne Inbound and Outbound Means of Transport and Related Manifests
- Announcement on Adjustment of Import Tariffs of Some Consumer Goods
- Announcement on Adjustment of Catalogue of Entry-exit Commodities Subject to Inspection and Quarantine Carried out by Entry-exit Inspection and Quarantine Authorities
- Announcement of AQSIQ to Expand Practical Experience from Pilot Regulation of Inbound Biological Materials in Beijing, Tianjin, Hebei and Shanghai
- Announcement of AQSIQ and China Food and Drug Administration on Date of Implementation of Product Formula Registration of Infant Formula Milk Powder
- MOC Announcement [2017] No. 68, No. 69, No. 76 and No. 80

[More details](#)

India

India: Benefit of deduction is denied as the eligibility of being a ‘small scale industrial undertaking’ is lost in subsequent years

The Supreme Court in the case of Ace Multi Axes Systems Ltd held that the taxpayer is not entitled to the benefit of deduction under Section 80-IB of the Income-tax Act, 1961 since it has lost its eligibility as a ‘small scale industrial undertaking’ in subsequent years even if in the initial year the eligibility criteria was satisfied.

[More details](#)

India: KPMG India Tax Konnect – December 2017

KPMG in India provides developments on the tax and regulatory front and its implications on the way you do business in India.

[More details](#)

India: Indian group company of a U.S. entity does not constitute a PE in India under the India-U.S. tax treaty

Recently, the Mumbai Bench of the Income-tax Appellate Tribunal in the case of SPE Networks India Inc, held that an Indian group company of a U.S. company does not constitute a Permanent Establishment (PE) in India under the India-U.S. tax treaty since the taxpayer was carrying out its operations from the U.S. and not from India. [More details](#)

India: Since the taxpayer is incorporated and liable to tax in the UAE, it is eligible for the India-UAE tax treaty benefit

The Rajkot Bench of the Income-tax Appellate Tribunal in the case of Martrade Gulf Logistics FZO-UAE held that since the taxpayer is liable to tax in the UAE by virtue of its incorporation in UAE, it is eligible for the India-UAE tax treaty benefit.

[More details](#)

Indonesia

Indonesia: Global Mobility Services Bulletin – December 2017

The December 2017 Bulletin contains a summary of tax regulations in relation to:

- The supervision of all taxpayers' compliance after Tax Amnesty; and
- The imposition of income tax on the value of unreported assets.

[More details](#)

New Zealand

New Zealand: BEPS implementing legislation would affect related-party loans

A bill concerning base erosion and profit shifting (BEPS) has been introduced in New Zealand that would implement the government's policies concerning BEPS matters.

[More details](#)

New Zealand: "Tax working group" review of tax system

The Sixth Labour Government has released terms of reference and appointed the chair for the third broad review of the New Zealand tax system since 2000—all following a new government's election.

[More details](#)

Significant International Tax Developments



OECD: Comments requested, mandatory disclosure rules of CRS "avoidance arrangements"

The Organisation for Economic Cooperation and Development (OECD) released a consultation document seeking comments on model mandatory disclosure rules inspired by the approach taken for common reporting standard (CRS) "avoidance arrangements" outlined within Action 12 of the BEPS project.

[More details](#)

Thought Leadership

Tax Dispute Resolution Quarterly

- Articles featured in the Fall 2017 issue include:
- Practical analysis of IRS research credit directive
- Accounting for uncertainty in income taxes
- Tax Court rules no deduction for captive insurance payments
- Highlights from KPMG International's EMA Summit
- U.K.'s anti-hybrid rules and "mirror legislation" status
- Transfer pricing compliance in a BEPS world

[More details](#)

Calendar of Events

Date	Event	Location
11 January 2018	Employer's Tax Obligations Workshop (Fundamental) (Re-Run) Contact person: Lam Pei Ming More details	One World Hotel, Petaling Jaya Malaysia

Beyond Asia Pacific

EU: Guidelines to simplify withholding tax on cross-border investments

The European Commission announced new guidelines on withholding taxes to help EU Member States reduce costs and simplify procedures for cross-border investors in the EU.

[More details](#)

United States: EU finance ministers express concerns about U.S. tax reform proposals

Finance ministers from five EU countries wrote to Treasury Secretary, Steven Mnuchin (and members of the U.S. Congress) expressing their concerns regarding certain aspects of the U.S. tax reform efforts.

[More details](#)

Tax News Flash by Region

For the latest tax developments from other regions see the following links:

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)

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Indirect Tax Services



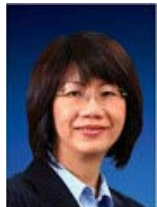
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